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THIS DISPOSITION IS NOT
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U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Mac Equipment, Inc.
v.
Michael F. Crawley

Opposition No. 100,656
to application Serial No. 74/640,983
filed on March 2, 1995

Joseph B. Bowman of Shook, Hardy & Bacon for Mac Equipment, Inc.

Mark S. Graham and Robert O. Fox of Luedeka, Neely & Graham for Michael F. Crawley.

Before Cissel, Quinn, and Holtzman, Administrative Trademark Judges.

Opinion by Quinn, Administrative Trademark Judge:

An application was filed by Michael F. Crawley to register the mark MACPUMP for "material transfer systems comprised of inter-connected vessels and valves for pneumatically transferring particulate solids from hopper storage into a material feed line."[1]

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[1] Application Serial No. 74/640,983, filed March 2, 1995, alleging first use on May 1, 1987.

Registration has been opposed by Mac Equipment, Inc. under Section 2(d) of the Trademark Act on the ground that applicant's mark, when applied to applicant's goods, so resembles opposer's previously used and registered marks as to be likely to cause confusion.[2] Opposer has pleaded ownership of the following registered marks: MAC for "air classifiers in the nature of downdraft separators and cyclones, rotary airlocks, centrifugal fans, and dust collectors" and "dust filtering units and fluidizer beds for use in grain storage bins"[3] and

for "air pollution control equipment, namely high efficiency particulate air filter units, centrifugal fans, cartridge filter units, cyclone separators/collectors, pneumatic conveyors, diverter valves, flow aid units, fabric filter baghouses, positive displacement blowers, process controls,

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[2] The notice of opposition also included a claim of a false suggestion of a connection under Section 2(a). Opposer's brief sets forth likelihood of confusion as the sole issue in this case. Accordingly, we view the Section 2(a) claim as waived.

[3] Registration No. 1,168,945, issued September 15, 1981; combined Sections 8 and 15 affidavit filed.

replacement cartridge filter elements and high efficiency particulate air filter elements, replacement filter bags and cages, rotary airlocks, and scale hoppers."[4]

Applicant, in its answer, denied the salient allegations of the opposition.

The record consists of the pleadings; the file of the involved application; trial testimony, with related exhibits, taken by each party; status and title copies of opposer's pleaded registrations and an official state record introduced by way of opposer's notice of reliance; and third-party registrations and opposer's answers to certain of applicant's interrogatories, made of record in applicant's notice of reliance. Both opposer and applicant filed main briefs on the case. An oral hearing was held at which only applicant's attorney appeared.

Opposer, according to Gary McDaniel, opposer's founder and chairman, is a manufacturer and supplier of pneumatic conveying equipment and air pollution control equipment. Pneumatic conveying systems are designed to move dry bulk material through an enclosed pipeline via air motivation, and Wayne Nichols, an engineer with opposer, gave the example of using such a system to transfer grain from a railroad car into a storage silo. Depending on the type of sale, the goods can cost from $25,000 to $4-5 million. Mr.

Nichols indicated that opposer's goods have been sold to customers in the wood, food, mineral, and chemical industries, among others. The goods are promoted at trade shows and through advertisements placed in trade journals, as well as through product catalogs and fliers.

Applicant is in the business of designing, manufacturing and field servicing pneumatic conveying systems. Michael Crawley is the inventor of the patented system sold under the mark MACPUMP. Applicant's system pumps material rather than blows material like the screw pump systems it was designed to replace. According to the testimony introduced by applicant, these MACPUMP brand systems are capable of transporting particulate solids in high capacities over long distances.

Before turning to the merits of the likelihood of confusion claim, we direct our attention to a few preliminary matters.

The first relates to newly raised claims in opposer's brief, namely "fatal defects remain in the chain of title and control of the mark MACPUMP by Crawley," that applicant's evidence relating thereto "is at least misleading, if not fraudulent," and that applicant has misused the federal trademark registration symbol. Applicant characterizes the attack on its chain of title as

[4] Registration No. 1,919,524, issued September 19, 1995.

"a diversionary tactic which distorts the record and consists of bomb-blast [sic] and innuendo" and the allegations of misuse of the registration symbol as "wholly irrelevant and viperous."

We initially note that opposer never formally amended the pleadings to assert these claims. Although we have a question, after reviewing the record, whether there was even a trial of these claims as contemplated under Fed. R. Civ. P. 15(b), applicant, in his brief, did not object to consideration of these claims on this basis, but rather addressed the merits of opposer's allegations.[5] Accordingly, we will consider the merits of the claims. Nevertheless, given our concerns and the fact that opposer has treated these issues in a clearly subordinate fashion relative to the likelihood of confusion issue, we see no need to address these newly raised issues in great detail.

The testimony of Mr. Crawley and John Bell, an employee of applicant, coupled with the testimony of applicant's corporate counsel, C. Coulter Gilbert, and related exhibits, establish a chain of title dating back to applicant's first use. We agree with applicant that the record shows that Mr. Crawley has, at all times, controlled the nature and quality of goods. Further, applicant made it abundantly clear that

some of the relevant documents introduced at trial were replacement documents which accurately reflected misplaced originals.

As to applicant's alleged misuse of the registration symbol, applicant's testimony reveals that his use of the symbol was based on a mistaken belief that he could do so since he had filed applications to register the mark. Applicant's full and reasonable explanation shows the absence of any actual fraudulent intent on his part.

In sum, even if the testimony and evidence constitute a trial of the issues under Fed. R. Civ. P. 15, opposer's newly raised claims fail for lack of proof.

The second matter relates to evidentiary objections. Opposer objected to the depositions on written questions taken by applicant. More specifically, opposer objected to questions 6, 7 and 8 as being vague and ambiguous, and calling for inadmissible opinion testimony. The questions relate to third-parties' uses of "MAC-type" marks and the goods/services sold under the marks, and seek information such as sales volume and types of customers.

Our view is that the questions are proper and rather straightforward. Opposer has raised only broad conclusionary objections, failing to set forth in any detail

[5] It was only at the oral hearing, in response to the Board's questions on this point, that applicant contended there was not a trial of the newly raised claims.

whatsoever the specific problems perceived with the questions. Opposer's objections are overruled and the testimony will be considered and accorded whatever probative value it merits.

Applicant has raised in its brief several objections to opposer's trial record. Objections were raised as to exhibit 4 of the Nichols testimony, as to information regarding the prices of opposer's goods, and as to other exhibits which, according to applicant, are incompetent to show use of applicant's mark. The objections are overruled and the testimony and evidence have been considered. However, to the extent that some of the points raised by applicant are valid insofar as they relate to probative value, the probative value of the testimony and evidence is diminished accordingly. Lastly, applicant has detailed thirty-five points in opposer's testimony where opposer's counsel allegedly asked improper and leading questions. Suffice it to say that we have read the testimony with the objections in mind, finding, for the most part, that the objections are not well taken.

As a final point to the evidentiary skirmish between the parties, we would add that even if the objected-to testimony and evidence were excluded, the same result would pertain in this case on the merits.

The third matter concerns applicant's motion to amend its involved application. More specifically, applicant proposed, at an earlier stage of this proceeding and over the objection of opposer, to amend its identification of goods and its dates of first use. The Board, in accordance with its practice, deferred ruling on the motion. Opposer, in its brief, renewed its objection to the amendment to the identification of goods.

With respect to the identification of goods, applicant seeks to add the term "custom-manufactured" to it so that the identification reads "custom-manufactured material transfer systems comprised of inter-connected vessels and valves for pneumatically transferring particular solids from hopper storage into a material feed line."

The amendment is clearly limiting in nature, and the record establishes that applicant produces custom-manufactured goods, among others. Accordingly, the amendment is accepted and entered.[6] In any event, whether we considered applicant's earlier identification or the amended one, the same result on likelihood of confusion would be reached in this case.

[6] Any prejudice to opposer was alleviated by the fact that it was allowed an opportunity to offer additional evidence in light of the proposed amendment. And, as opposer points out, it adduced "additional evidence to meet the amended identification of applicant's goods." (brief, p. 8)

The amendment to the dates of first use seeks to change them to a later date, that is, from May 1, 1987 to May 12, 1987. This later date is consistent with the testimony and evidence adduced by applicant, and the dates are amended accordingly.[7]

We now turn to the issues of priority and likelihood of confusion.

In view of opposer's ownership of valid and subsisting registrations for its pleaded marks, there is no issue with respect to opposer's priority. King Candy Co., Inc. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974).

Our determination under Section 2(d) is based on an analysis of all of the facts in evidence that are relevant to the factors bearing on the likelihood of confusion issue. In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). The factors deemed pertinent in this proceeding now before us are discussed below.

Insofar as the marks are concerned, the record shows that opposer's mark was adapted from the surname of its founder ("McDaniel"), and that applicant's mark was derived from the name of applicant's predecessor ("Macawber Engineering"), with the addition of the term "pump"

indicating that the product pumps material rather than blows it as is the case with conventional screw-type conveying systems. We recognize the similarities between opposer's MAC and MAC and design marks, and applicant's mark MACPUMP. Nonetheless, the addition of the term "pump," although descriptive, must be considered in comparing the marks in their entireties. Giant Food, Inc. v. Nation's Foodservice, Inc., 710 F.2d 1565, 218 USPQ 390 (Fed. Cir. 1983). Likewise, the design feature in opposer's mark as shown in Registration No. 1,919,524, which serves to distinguish the mark from applicant's mark, must be considered. When the marks are considered in their entireties, they are specifically different. See: In re Hearst, 982 F.2d 493, 25 USPQ2d 1238 (Fed. Cir. 1992).

Although the involved marks share the similar MAC portion, the thrust of applicant's arguments is that MAC and phonetic variations thereof have been widely used and registered by others in related industries. Thus, according to applicant, customers are conditioned to distinguish between such marks on the basis of other elements in the marks. Applicant introduced evidence of third-party registrations and uses of marks comprised, in part, of MAC or variations thereof (e.g., MACK and MACS). The evidence

[7] Although the proposed amendment was not accompanied by an affidavit or declaration, applicant's testimony under oath is sufficient to support the amendment.

of third-party uses was introduced by way of nineteen depositions upon written questions. The questions included ones directed to the specific mark in use, the goods/services sold under the mark, and the extent of use (sales, time, geographic area and type of customers).

The fifteen third-party registrations are of little probative value on the question of whether or not the specific marks at issue are in conflict. Smith Brothers Mfg. Co. v. Stone Mfg. Co., 476 F.2d 1004, 177 USPQ 462 (CCPA 1973). In the absence of evidence of use, it cannot be determined whether any such use was sufficient to enable the registered marks to have made some impact in purchasers' minds.

The evidence of actual third-party uses establishes that a variety of MAC-type marks, or phonetic variations thereof, have been adopted and used. Mr. McDaniel also indicated that he knew of certain such uses. (dep., pp. 16-19) The depositions upon written questions also establish that some of the marks have been used extensively, with tens of millions of dollars of annual sales. As pointed out by opposer and highlighted by its written cross-questions in the depositions, however, none of the uses are specifically for pneumatic conveying systems. While applicant asserts that the third-parties' uses are in "related industries," the simple fact remains that none are for the type of goods

involved here. This fact diminishes the probative weight accorded to the evidence. Compare: In re Broadway Chicken Inc., 38 USPQ2d 1559 (TTAB 1996).

Opposer argues, in its brief, that its MAC mark is an "old and well established name in the field of pneumatic conveying equipment." To the extent that opposer is suggesting that its MAC marks are famous, the evidence falls short. Opposer has enjoyed success under its marks, and has actively promoted its products. Nonetheless, we cannot conclude, based on the evidence of record on this point, that the MAC marks have achieved the exalted status of famous marks. Compare: Kenner Parker Toys v. Rose Art Industries, 963 F.2d 350, 22 USPQ2d 1453, 1456 (Fed. Cir. 1992).

A significant factor in this case is the nature of the goods and the conditions under which and the buyers to whom sales are made. Both parties sell pneumatic conveying systems under their respective marks and applicant concedes that the goods are directly competitive. In addition, however, the record establishes that the goods are specialized, expensive and are purchased by sophisticated buyers after an involved purchasing process.

The parties' pneumatic conveying systems are directed to common industries such as the mineral, chemical and plastic industries. Although opposer sells certain parts

for its systems, it would appear that the bulk of opposer's revenues under its marks is derived from the sales of complete systems. According to Mr. McDaniel, the prices of opposer's systems range from $25,000 to $5 million for custom-manufactured systems. According to Mr. Bell, applicant's systems range in price from $50,000 to about $200,000.

Given the high cost and specialized nature of the parties' systems, they are purchased only after careful deliberation. Mr. Nichols, an engineer for opposer, indicated that opposer's systems were not purchased on impulse, but rather only after a bidding process. He also testified that it is important for customers to know the reputation and the background of the company with whom they are dealing. Mr. McDaniel made the same points, testifying that there is a bidding process with a system proposal, then follow-up explanations which involves personal interaction between opposer and the buyer throughout the process. By the end of the process, the buyer "know[s] who they're dealing with..." (dep., p. 31) In this connection, Mr. McDaniel indicated that most pneumatic conveying systems are engineered to order or built to order, that is, custom built to fit the buyer's particular application, and that there are "very few standard pneumatic conveying systems."

The same type of deliberate purchasing process is involved with applicant's systems. Mr. Bell detailed the pre-sale activities undertaken by applicant. Mr. Bell described applicant's pre-contract engineering which entails visits to the potential purchaser's factory, gathering data at the factory, and discussing the project with the factory's engineers. According to Mr. Bell, the pre-contract phase, that is, the time between a potential customer contact and the placement of an order, generally runs 3-12 months.

Given the above circumstances, it is no surprise that, for the most part, purchasers are very knowledgeable. The products are sold through manufacturing representatives to industrial customers. Mr. McDaniel characterized the buyers as "fairly sophisticated." Mr. Crawley testified that the individuals responsible for making the purchasing decision "are really very well educated because they've got to integrate [applicant's system] into their plant" and "integrating one of these things into their plant is a very sophisticated method." (dep., p. 36)

In sum, the parties' goods are complex and expensive products which are marketed by technically trained sales representatives to informed classes of purchasers who buy the products with care after extensive technical considerations as to need, suitability, function and the

like. Sales to the industrial customers are the culmination of relatively long and detailed negotiations with direct, personal communications between buyer and seller. By the time a sale is consummated, the purchaser will know what it is purchasing, why it is purchasing the particular system, and certainly from whom it is purchasing the system. The condition of sale and sohistication of purchasers are significant factors in applicant's favor. See: Electronic Design & Sales Inc. v. Electronic Data Systems Corp., 954 F.2d 713, 21 USPQ2d 1388 (Fed. Cir. 1992) ["[T]here is always less likelihood of confusion where goods are expensive and purchased after careful consideration." [citation omitted]]. See also: Continental Plastic Containers Inc. v. Owens Brockway Plastic Products, Inc., 141 F.3d 1073, 46 USPQ2d 1277 (Fed. Cir. 1998); Dynamics Research Corp. v. Langenau Mfg. Co., 704 F.2d 1575, 217 USPQ 649 (Fed. Cir. 1983); Hewlett-Packard Co. v. Human Performance Measurement Inc., 23 USPQ2d 1390 (TTAB 1991); and Raytheon Co. v. Litton Business Systems, Inc., 169 USPQ 438 (TTAB 1971).

Although the test to be applied in this case is likelihood of confusion, the lack of any instances of actual confusion between the parties' marks is a relevant factor to consider in view of the particular circumstances of this case. See, e.g, In re General Motors Corp., 23 USPQ2d 1465,

1470-71 (TTAB 1992) The record reveals that the marks have been in contemporaneous use for over twelve years, and that the parties' directly competitive products have been promoted at the same trade shows to the same classes of purchasers. While it would have been helpful if we were privy to applicant's sales and advertising figures to better gauge the extent of applicant's use of his mark, we do note that opposer's sales and advertising numbers are substantial. Notwithstanding the overlapping use, the parties are unaware of any actual confusion in the marketplace. This is undoubtedly due to the conditions of sale and the sophistication of the purchasers as outlined above. The absence of actual confusion is a factor that weighs in applicant's favor.

We find that opposer has failed to prove, by a preponderance of evidence, that there is a likelihood of confusion between the marks at issue. Based on the record before us, we see the likelihood of confusion claim asserted by opposer as amounting to only a speculative, theoretical possibility in a specialized and expensive purchase conducted with care. Language by our primary reviewing court is helpful in resolving the likelihood of confusion controversy in this case:

> We are not concerned with mere theoretical possibilities of confusion, deception or mistake or with de minimis

> situations but with the practicalities of the commercial world, with which the trademark laws deal.

Electronic Design & Sales Inc. v. Electronic Data Systems Corp., supra at 1391 (Fed. Cir. 1992), citing Witco Chemical Co. v. Whitfield Chemical Co., Inc., 418 F.2d 1403, 1405, 164 USPQ 43, 44-45 (CCPA 1969), aff'g 153 USPQ 412 (TTAB 1967).

Decision: The opposition is dismissed.

R. F. Cissel

T. J. Quinn

T. E. Holtzman
Administrative Trademark
Judges, Trademark Trial
and Appeal Board